

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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Section 1 **Continuation**

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Material Shortages in the East German Shipbuilding Program

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2. During the conference, Ziesenis (fmu) and Klewitz (fmu), manager and technical manager respectively of the Stralsund People's Shipyard stated that during the first half of 1954, the shipyard fulfilled its 1954 production plan only 34 percent. The hope was expressed, however, that the arrears in production schedules could be made good by the end of the year. The greatest difficulties were experienced by the delayed delivery of accessory equipment required for ships and a shortage of materials. This shortage of materials necessitated the modification of many equipments which had cost the shipyard 190,000 DME in 1954. Delayed deliveries of equipment had caused additional costs of 141,000 DME. In October 1954, the rate of deliveries was so slow that only one lugger was completed between 1 and 10 October, while seven and twelve luggers were completed between 11 and 20 October, and 21 and 30 October respectively.
3. In 1954, a total of 65 luggers had to be built for the Soviets, and 80 luggers were scheduled to be exported to the USSR in 1954. This number was expected to ~~remain the same~~ be increased in 1956.
4. Great difficulties were experienced in the delivery of replacement parts. According to plans, the rate of delivery of replacement parts at Koepenick was to deliver to the Stralsund shipyard replacement parts worth 1 million DME. The representatives of some firms represented that the shipyard had asked for up to seven replacement instruments for each instrument installed in a lugger. Klewitz of the People's Shipyard explained that the shipyard had excessive demands by

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5. The Control Office of Minister Rau appointed Egel (fnu) and Kramm (fnu) as special commissioners for shipbuilding. Their primary responsibility will be the acceptance of refrigerator ships. On 3 December 1954, the two commissioners visited the Schiffsbau- und Reparatur-Werft at Stralsund. At this installation, 12 refrigerator ships could not be completed because of a shortage of materials and accessory equipment.

1. Comment. VEB Volkswerft Stralsund

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